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SUBJECT: NORTHERN IRELAND DEVOLUTION DELAYED BUT ON TRACK

REF: BELFAST 36

CLASSIFIED BY: Daniel F. McNicholas, Acting Consul General,

Consulate General Belfast, State Department.

REASON: 1.4 (b), (d)

- 11. (C/NF) Summary. Northern Ireland's political leaders, together with HMG's Northern Ireland Office, are united in their conviction to move forward on the devolution of policing and justice. An attempt by hard-line unionist Jim Allister to siphon off support from First Minister Peter Robinson's DUP has distracted Robinson from making progress in the short term. Robinson faces unflattering comparisons to former UUP leader David Trimble from critics and supporters alike, who have urged him to maintain focus in the face of this current political test. The primary obstacle to settling policing and justice remains nailing down the unknown financial demands that the transfer of these powers from Westminster to Stormont will create. Robinson and other unionist politicians are reluctant to set a date for the transfer without a firm and generous  ${\tt HMG}$ commitment to cover costs, which could run to the hundreds of millions as outstanding legal and medical claims from police from the time of the Troubles remain unresolved. Meetings between Robinson, Deputy First Minister Martin McGuinness, and Prime Minister Gordon Brown are expected to settle the financial issue in the coming week.
- 12. (C/NF) Summary con't. Northern Ireland Secretary Shaun Woodward cautioned against pushing Robinson too hard on devolution in the current fragile political environment for fear that he might "snap or just walk away," leaving a leadership vacuum. Sinn Fein's Gerry Adams shared the view that strong unionist leadership was in the interest of both communities and necessary for progress to be made. As the UK general election approaches (some time by June 2010) Woodward also voiced concern about a sustained British commitment to devolution under a Conservative government, opining that Tory leader David Cameron was prepared to sacrifice peace for electoral gain, and that the Tories were unlikely to be trusted by Sinn Fein as honest brokers. As Northern Ireland moves into the annual Orange Order marching season there have been no reports of serious violence despite minor incidents of vandalism against Orange halls and Catholic churches in County Antrim in a possible bid to escalate tensions. The late June announcement of decommissioning of weapons by loyalist paramilitary groups the UVF and Red Hand Commando was welcomed as a positive step - while the Ulster Defense Association also announced it had begun the decommissioning process. End summary.
- ¶3. (C/NF) In a series of conversations over the last two weeks with Acting Consul General and with a visiting Codel Northern Ireland's political leadership expressed a range of views to explain the stalled devolution process, the sensitivities surrounding finally devolving policing and justice, the hard-line threat to First Minister Peter Robinson posed by populist unionist politician Jim Allister, and prospects for ways forward.

14. (C/NF) Northern Ireland's process of fully devolving power to the Northern Ireland Executive remains stalled over the contentious issue of policing and justice. First Minister Peter Robinson's majority Democratic Unionist Party (DUP) is still reeling from the humiliating defection of many of its bedrock supporters to hard-line unionist Jim Allister in the June 4 European Parliament (EP) elections (ref A). Allister's Traditional Unionist Voice (TUV) party siphoned off what many political observers here argue were, at least in part, protest votes against the DUP's perceived lack of leadership and attention to core issues like education, employment, and healthcare, as well as a reaction to the Westminster MP expense scandal that focused attention on MPs and Members of the [Northern Ireland] Legislative Assembly (MLAs) "double-jobbing" - i.e. holding ministerial, MLA, and/or MP positions and enjoying the respective pay and benefits for these jobs. In the end, the June EP poll returned DUP MEP candidate Diane Dodds over incumbent Allister but not without considerable cost to what appears to be a deeply-shaken DUP.

#### Jim Allister: Kingmaker or Spoiler?

15. (C/NF) Comparisons are being drawn by a number of unionist and nationalist/republican politicians between Peter Robinson and David Trimble (the former Ulster Unionist leader and First Minister, who struggled in 2001 for supremacy among unionists amidst criticisms by hardliners of his role in negotiating the Good Friday Agreement.) Jim Allister, once a peripatetic member of the DUP, is attempting to pull his former party to the more hard-line unionist end of Northern Ireland's political spectrum - in a move reminiscent of former DUP leader Dr. Ian Paisley when he undercut Trimble in search of hard-line unionist support. Allister, a former leader of Loyalist street protests denouncing any power-sharing with IRA/Sinn Fein, twice resigned from the DUP before creating the TUV in December 2007. He has been critical of Robinson as a "blusterer," and his strong showing in the European elections make him a force to be reckoned with if the DUP wants to shore up its support among hardliners. For his part, Ian Paisley dismissed Allister's showing, saying things would carry on much as they had been in unionist politics; "that the people who left the DUP haven't won anything."

## DUP "Nervousness"

16. (C/NF) Allister has long been critical of any Sinn Fein/IRA role in policing and justice - asking supporters on his website: "If policing and justice powers are devolved Martin McGuinness, a man who boasts his role in the IRA, will then have a key role in the appointment of senior judges. Is this what you want?" Allister's populist positions appeal to unionists skeptical of a Sinn Fein role in two of the most sensitive executive portfolios in the province. Leader of the Conservative/Unionist Party (formerly the Ulster Unionist Party, UUP) Sir Reg Empey told us that he believed Allister had indeed made an impact; that he had become a "kingmaker"; and that the DUP was scared of him. Stephen Farry, an MLA from the cross-community Alliance Party and its spokesman on justice and finance, echoed what he viewed as "DUP nervousness" at the TUV's success and stressed that Robinson needed to remain committed to devolution and follow through, and not be "looking over his shoulder, like David Trimble." Allister's uncompromising stance, and his relatively strong showing in the European election, have certainly contributed to Peter Robinson's slow roll on devolution, at least while he tries to increase his credibility with unionist hardliners - evidenced in part this week by his expected intervention to facilitate compromise in at least one of the more contentious Orange Order marches in Drumcree, Co. Armagh.

17. (C/NF) Progressive Unionist Party (PUP) leader Dawn Purvis told us that she was confident that Robinson could "hold things together;" that he needed to reflect on the European elections and get "back to basics," while rejecting the notion that Allister's success translated into withering support for power sharing among unionists. She noted that under the transferrable vote system, votes Allister won reverted to the DUP and UUP once he was out of the running - evidence that the electorate was most likely simply registering its disillusionment with the DUP over nepotism in the party, the expenses scandal, and the party's mixed messages toward Sinn Fein (making public statements critical of SF, while happy enough to be in government with them). The Social Democratic and Labour Party (SDLP) policing and justice spokesman Alex Atwood echoed Purvis's view, noting that it was in the common interest for Robinson to "take the breaks off and move forward;" that he should draw confidence from the last elections and press ahead with policing and justice.

### Unknown Policing & Justice Costs a Concern

18. (C/NF) Sir Reg Empey indicated that his party has no principled objection to devolution of policing and justice but is concerned over two points. First, the party had not been involved in any of the discussions on devolution but was now expected to support it: "It's all been the DUP/Sinn Fein behind closed doors. We don't know what deals have been done between them...and so we haven't had any discussions of how to handle issues if they arise." Second, Empey, echoing concern shared by many unionists, expressed unwillingness to move forward with policing and justice while the costs of the new responsibilities to be borne by the Executive were unknown. Fear of budget shortfalls in other essential services like healthcare and education were foremost in Empey's mind as he pointed to the increased cost of policing in Northern Ireland (e.g. conducting risk assessments before dispatching police to respond to calls; and the need to send 2-3 police cars to respond to routine calls since the March murder of Police Service of Northern Ireland (PSNI) officer Stephen Carroll by dissident republicans). Empey also cautioned against pushing the devolution of policing and justice too soon, particularly with a weak minister at the helm. Doing so, he said, ran the risk of returning to the "bad old He expressed a widely-held view that it would be autumn at the earliest before any decision on policing and justice would be agreed.

#### Alliance Party Leader Ford Presumed Justice Minister

19. (C/NF) The Alliance Party's Stephen Farry acknowledged widespread speculation that Alliance would, as "the least mistrusted party," be expected to put forward a compromise candidate for the policing and justice minister position. Peter Robinson confirmed July 8 in the media as "fairly obvious" that he would ask Alliance to take on the new post. Despite Alliance's small size, Farry intimated that the party was prepared to take on the role provided that it was "given room to work" and would not be pressured by Sinn Fein or the DUP; that it could count on support from the British, Irish, and U.S. governments to "avoid the populism" of Sinn Fein and the DUP; and lastly, that it could count on a financial package from London to make devolution of policing and justice work. Separately, the PUP's Dawn Purvis told us that the deal enabling the Alliance Party to provide the minister for policing and justice was "done and dusted" and that Alliance had already identified a candidate. (Note: The speculation is that Alliance leader David Ford will be put forward for the post. End note).

 $\P 10.$  (C/NF) Sinn Fein (SF) advisor Leo Green gave Acting CG a read out of Deputy First Minister Martin McGuinness's June 30 meeting with Prime Minister Gordon Brown in London. Sinn Fein was disappointed that First Minister Peter Robinson had pulled out of the scheduled joint meeting the night before, opting instead for a telephone call to Brown on July 1 and his own separate meeting on July 7; and Green pointed to Robinson's absence as the reason that "no real business was done" (particularly discussions of HMG financing of devolved policing and justice) during McGuinness's meeting with the prime minister. Despite the First Minister's absence, McGuiness took the opportunity to reassert SF's position for establishing a firm date for the transfer of policing powers. McGunness also reminded the Prime Minister of HMG's commitment to address instances in which unionists were seen to be blocking progress on devolution, and made the point that it might soon be appropriate for Brown to press Robinson to move forward. Deputy First Minister also raised other outstanding commitments by the British and Irish governments, including a Bill of Rights (called for in the Good Friday/Belfast Agreement), the draft of which Green indicated was being stalled by unionist parties; resolution of the status of OTRs or "On the Runs" - some 200 cases of individuals who believe they would be arrested and charged with pre-1998 conflict-related offenses if they returned to Northern Ireland; and pending extradition cases. Green indicated that there were plans for another Robinson-McGuinness-Brown meeting in the coming week, but expressed frustration with the DUP leadership for backing out of agreed meeting arrangements on short notice. Green confided that, due to the disarray the DUP appears to be in and the resultant lack of political progress on devolution, the meetings of the Northern Ireland Executive over the last several weeks have been little more than "a pretense." "The business of the Executive just isn't justified" as it stands, he said. Separately, Sinn Fein's Gerry Adams expressed to us his frustration at the page of the description at the descriptio frustration at the pace of the devolution process. He also shared that the current difficulty facing the DUP affected Sinn Fein: "we need a strong unionist leadership, and right now Robinson is David Trimble personified."

# Robinson with PM Brown: Finances Remain the Concern

111. (C/NF) DUP Director of Policy Richard Bullick gave Acting CG details of Peter Robinson's separate July 7 meeting with PM Brown. The First Minister was working to move forward on policing and justice, Bullick said, but the DUP needed to be cautious about the financial pressures that the transfer of those powers to Stormont would create. There was concern about having to divert money "from schools and hospitals" in the event policing and justice costs ran over estimates - which Bullick said could be in the hundreds of millions of pounds. The primary concern was how the Executive would finance several open-ended line items, such as hearing loss claims by former police officers as a result of the Troubles, unequal pay claims within the police, public enquiries into past police actions, and legal aid to defend against claims. All these costs were difficult to estimate, and the Executive ran the risk of overreaching and asking for too much, only to be refused; or asking for too little and be left with significant budget shortfalls. One idea on the table, Bullick said, was a compromise whereby Robinson and McGuinness would ask  ${\tt PM}$   ${\tt Brown}$ for a commitment from  ${\tt HM}$  Treasury to help cover these "blind costs." Bullick confirmed that a joint Brown-Robinson-McGuinness meeting would take place next week and would address these details with an eye toward nailing down specifics. The devolution issue suffered a fresh setback July 9 when Stormont ministers failed to discuss enabling legislation as planned. It is expected that the Northern Ireland Executive will take up the discussion at a meeting later this month.

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112. (C/NF) In a July 2 meeting with a visiting Codel in London Northern Ireland Secretary Shaun Woodward cautioned against pushing Robinson too hard on devolution. Robinson had sought power for 30 years, he said, but now realized it was harder to govern than he had thought. Woodward expressed concern that, if pushed too far, Robinson, whom he said was "hanging on by a thread," could "snap or just walk away." The fear is that no one in the DUP is prepared to succeed him. Woodward ruled out potential contenders - former junior minister Jeffery Donaldson (who is this week defending himself against speculative accusations that he may have claimed expenses for adult films while on official travel) and Minister of Enterprise Arlene Foster - as untenable. Woodward believes that Robinson should announce within a few weeks his plan to establish a ministry of justice with Deputy First Minister Martin McGuinness, with details subsequently being worked out by the parties. Woodward dismissed Sinn Fein's insistence on a date certain for the creation of the ministry as a non-starter as it put too much pressure on Robinson with his party base. What was more important, Woodward said, was a commitment to the process and attention to drumming up support among both unionists and nationalists/republicans for the new ministry.

Woodward Concerned about Devolution Under Tories

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- 113. (C/NF) Woodward also expressed stark concern about a Conservative government under leader David Cameron maintaining momentum on devolution. Cameron lacked understanding of Northern Ireland, he said, and had effectively thrown his lot in with the unionists by linking the Tories with the former Ulster Unionist Party and agreeing to run joint Tory/unionist candidates. The move, Woodward said, which showed Cameron was willing to sacrifice peace for electoral gain, would isolate the Conservatives further from Sinn Fein and remove the possibility of a Tory government playing a constructive role in the peace process or the final mechanisms of devolution, were devolution not concluded before the next UK general election.
- 114. (C/NF) Woodward also addressed the outstanding issues that Sinn Fein has raised: ("On-the-Runs;" and an Irish language act, which has drawn a hostile reaction from the DUP with the appointment of Nelson McCausland as Minister for Culture, Arts, and Leisure. McCausland opposes the act and his appointment is seen as a DUP sop to hard-line unionists.) Woodward's view is that these, and other contentious issues, would be more effectively addressed by the Executive and the Assembly once devolution was completed, and has argued that they be shelved until then so as to minimize the risk that any of the issues would scuttle movement on policing and justice.
- 115. (C/NF) Woodward is conscious of time slipping away in which the second stage of devolution can take place and has indicated that the next six to seven months will be difficult. The longer the final elements of devolution take to settle the more emboldened dissident republicans become and the greater the risk of undermining confidence within the nationalist community that power-sharing can work.

Loyalist Decommissioning: Progress but More to Do

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116. (SBU/NF) The June 27 announcement by loyalist paramilitary groups the Ulster Volunteer Force (UVF) and Red Hand Commando (RHC) that they had decommissioned arms, munitions, and explosives held in their possession was welcomed as a positive step by leaders across Northern Ireland. Head of the Independent International Commission on Decommissioning (IICD), retired General John de Chastelain, confirmed that IICD observers had witnessed the UVF and RHC putting their weapons

beyond use. The IICD's next report formally confirming the status of decommissioning will be submitted to HMG in August. Loyalist decommissioning had been stalled in the wake of the March murders by dissident republican groups of soldiers and a police officer. The IICD also announced that a third loyalist paramilitary group, the Ulster Defense Association (UDA), had begun the process of decommissioning its weapons. The UDA is more decentralized of a group than the UVF, and this announcement was followed on July 8 by a statement from the political wing of UDA in Coleraine that it was withdrawing support for the political and policing institutions of the northwest of the province. Citing frustrations over "the demonization of loyalism in the region," the move comes amidst increased tensions in the wake of the sectarian murder of Catholic Kevin McDaid in Coleraine in May.

Marching Season: Currently Calm; Minor Incidents

117. (C/NF) While there have been reports of typical incidents at flashpoints during the height of this year's "marching season" celebrated by Orange Lodges and loyalist organizations, so far there has been no real violence and currently little fear among political and community leaders of any serious trouble. Bonfires, some as high as 40 feet, are being readied for Orange celebrations this weekend. Most parades have been taking place in rural areas and have gone ahead without incident. Two Orange halls, however, were vandalized over the last few days - one in Carlisle Circus in Belfast, which is the starting point for the Belfast July 12 parade, had paint thrown on its front; while sectarian slogans were daubed on the Orange hall in the town of Rasharkin, Co. Antrim. In possibly related, tit-for-tat incidents, five Catholic churches - mostly near Ballymena (Antrim) - were damaged by thrown-paint incidents in the last week. The incidents, most likely bids by youths to increase tensions, were condemned by local politicians, religious leaders from both sides, and the Orange Order.

MCNICHOLAS